

## IMPLEMENTATION OF AB 88: REQUIREMENTS FOR “PARTNERSHIP CONTRACTS”

	Partnership Model 1	Partnership Model 2	Partnership Model 3
<b>Status of Plans</b>	FS & SBH are KK licensees	FS is KK licensee/SBH is ASO/KK Affiliate <sup>1</sup>	FS is KK licensee/SBH is ASO/TPA not affiliated with KK licensee
<b>Contractual Arrangement with Employer</b>	Both FS and SBH Plan obligated to provide AB 88 services under contracts with Employer	Both FS and ASO/KKA obligated to provide AB 88 services under contracts with Employer	Both FS and ASO/TPA obligated to provide AB 88 services under contracts with Employer
<b>Responsibility for AB 88 Coverage</b>	SBH responsible for primary coverage; FS Plan responsible for secondary/supplemental coverage	ASO/KKA responsible for primary coverage; FS Plan responsible for secondary/supplemental coverage	ASO/TPA responsible for primary coverage; FS Plan responsible for secondary/supplemental coverage
<b>Quality Assurance</b>	<p>SBH responsible for quality of services delivered under contract with Employer, including QA programs in compliance with Act</p> <p>No FS Plan oversight required</p>	<p>ASO/KKA responsible for quality of services delivered under contract with Employer, including QA programs in compliance with Act</p> <p>KKA must provide ensure that affiliate ASO willll meet requirements of Act</p> <p>No FS Plan oversight required</p>	<p>ASO/TPA responsible responsible for quality of services delivered under contract with Employer, including QA programs in compliance with Act</p> <p>Requires full oversight by FS Plan; FS Plan must ensure that ASO/TPA will meet requirements of Act or that FS Plan will perform services for ASO/TPA</p>
<b>Utilization Management</b>	<p>SBH responsible for UM/UR services delivered under contract with Employer in compliance with Act</p> <p>No FS Plan oversight required</p>	<p>ASO/KKA responsible for UM/UR services delivered under contract with Employer in compliance with Act</p> <p>KKA must provide assurance to ensure that affiliate ASO willll meet requirements of Act</p> <p>No FS Plan oversight required</p>	<p>ASO/TPA responsible for UM/UR services delivered under contract with Employer in compliance with Act</p> <p>Requires full oversight by FS Plan; FS Plan must ensure that ASO/TPA will meet requirements of Act or that FS Plan will perform services for ASO/TPA</p>

<sup>1</sup> This Advisory does not address whether a particular ASO or TPA is operating as a health care service plan as defined in Section 1345(f) and requires licensure pursuant to Section 1349. All entities operating as health care service plans are required to obtain licensure to conduct business in California.

	Partnership Model 1	Partnership Model 2	Partnership Model 3
<b>Grievance Process</b>	<p>SBH responsible for grievance process delivered under contract with Employer, in compliance with Act; includes review of grievances arising from provision of AB 88 services</p> <p>No FS Plan oversight required, except oversight of grievances related to parity issues</p>	<p>ASO/KKA responsible for grievance process delivered under contract with Employer, in compliance with Act; includes review of grievances arising from provision of AB 88 services</p> <p>No FS Plan oversight required, except oversight of grievances related to parity issues</p>	<p>ASO/TPA responsible for grievance process delivered under contract with Employer, in compliance with Act; includes review of grievances arising from provision of AB 88 services</p> <p>Requires full oversight by FS Plan; FS Plan must ensure that ASO/TPA will meet requirements of Act or that FS Plan will perform services for ASO/TPA</p>
<b>Parity of AB 88 Services</b>	<p>FS Plan responsible for assuring enrollees receive services in parity with FS Plan benefits</p> <p>Contract must contain terms sufficient to obligate SBH Plan to provide parity with FS Plan benefits and give FS Plan authority for oversight of parity issues</p> <p>Parity issues include but are not limited to: copayments, eligibility, cancellation provisions, continuation coverage rights and conversion rights</p>	<p>FS Plan responsible for assuring enrollees receive services in parity with FS Plan benefits</p> <p>Contract must contain terms sufficient to obligate ASO/KKA to provide parity with FS Plan benefits and give FS Plan authority for oversight of parity issues</p> <p>Parity issues include but are not limited to: copayments, eligibility, cancellation provisions, continuation coverage rights and conversion rights</p>	<p>FS Plan responsible for assuring enrollees receive services in parity with FS Plan benefits</p> <p>Contract must contain terms sufficient to obligate ASO/TPA to provide parity with FS Plan benefits and give FS Plan authority for oversight of parity issues</p> <p>Parity issues include but are not limited to: copayments, eligibility, cancellation provisions, continuation coverage rights and conversion rights</p>
<b>Disclosures to subscribers and enrollees</b>	<p>EOC of FS Plan must (1) identify SBH Plan as primary coverage and (2) refer to SBH Plan for relevant information</p> <p>SBH Plan must demonstrate compliance in EOC and subscriber contracts</p>	<p>EOC of FS Plan must (1) identify ASO/KKA as primary coverage and (2) refer to ASO/KKA for relevant information</p> <p>ASO/KKA must demonstrate compliance in EOC and subscriber contracts</p>	<p>EOC of FS Plan must (1) identify ASO/TPA as primary coverage and (2) refer enrollees to ASO/TPA for relevant information</p>
<b>Contingency Plan</b>	<p>FS Plan must demonstrate that it will meet obligations if SBH fails to perform</p> <p>Includes demonstrating sufficient provider network and contingency plan</p>	<p>FS must demonstrate that it will meet obligations if ASO/KKA fails to perform</p> <p>Includes demonstrating sufficient provider network and contingency plan</p>	<p>FS must demonstrate that it will meet obligations if ASO/TPA fails to perform</p> <p>Includes demonstrating sufficient provider network and contingency plan</p>